

Fiscal Note

State of Alaska
2020 Legislative Session

Bill Version:	HCS CSSB 115(FIN)
Fiscal Note Number:	4
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Identifier: HCS CSSB115-DOT-COM-3-23-20
 Title: MOTOR FUEL TAX; EV REG. FEE
 Sponsor: BISHOP
 Requester: House Finance

Department: Department of Transportation and Public Facilities
 Appropriation: Administration and Support
 Allocation: Commissioner's Office
 OMB Component Number: 530

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2021	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2021 Request	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
OPERATING EXPENDITURES	FY 2021	FY 2021						
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2020) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2021) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

While the fiscal analysis remains the same, this fiscal note is being updated to reflect language adopted by the House Finance Committee which would deposit new revenue from alternative fuels powered vehicle registration fees into a special highway fuel tax account in accordance with AS 43.40.010(g).

Prepared By: Mike Lesmann, Legislative Liaison
 Division: Commissioner's Office
 Approved By: Dom Pannone, DOT&PF Administrative Services Director
 Agency: Office of Management & Budget

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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2020 LEGISLATIVE SESSION

Analysis

The Department of Transportation & Public Facilities is the only department appropriated Motor Fuel Tax Receipts. Fund source 1249 is connected to Motor Fuel Tax Receipts. These revenues contribute funding in two Results Delivery Units (RDU) within the department.

In FY2020, the Highways, Aviation, and Facilities RDU includes \$33,369,400.00 of Motor Fuel Tax Receipts, accounting for approximately 26% of the amount appropriated to the three regional Highways and Aviation components.

In FY2020, the Marine Highway System RDU includes \$3,617,100.00 of Motor Fuel Tax Receipts, accounting for approximately 3.7% of the RDU's appropriated funding.

In FY2020, the Department of Revenue projects the portion of Motor Fuel Tax Receipts available to the Department of Transportation and Public Facilities to be approximately \$1.3 million dollars less than what was appropriated, representing a reduction in funds. In FY2021, that shortfall increases to approximately \$2 million dollars.

Subject to appropriation from the Legislature increased designated funds in the Highways, Aviation, and Facilities RDU could reduce or eliminate the projected revenue shortfall.

Subject to appropriation by the Legislature, increased designated funds in the Marine Highway System RDU could result in additional weeks of service or additional communities served.

Subject to appropriation by the Legislature, increased designated funds in the Highways, Aviation, and Facilities RDU could result in any of the following:

- increased safety and maintenance response times;
- increased maintenance operators;
- increased winter maintenance;
- increase response time to priority 1 and 2 roadways with more resources available to respond to priority 3 and 4 roads;
- increased maintenance stations;
- reduced and more manageable areas of responsibility for operators;
- decreases in response times during extreme storm and weather events;
- decrease in road closure times due to acts of nature;
- increased surface treatment chemicals and materials including corrosion inhibitors and pre-treating chemicals; or
- increase in ability and resources to repair potholes and guardrails as well as vegetation management activities.